DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33918]

Henry G. Hohorst, Bruce Hohorst, Joan D. Hohorst, and Anthony M. Linn—Continuance in Control Exemption—IRW Railway, LLC

Henry G. Hohorst, Bruce Hohorst, Joan D. Hohorst, and Anthony M. Linn, individuals (applicants), have filed a verified notice of exemption to continue in control of the IRW Railway, LLC (IRW), a limited liability company, after it acquires ownership of the title to the lands and track of the West Tennessee Railroad line (line).

According to the verified notice of exemption, the parties expected to purchase the line after approval of the transaction. The earliest the exemption could have been consummated was August 30, 2000, the effective date of the exemption (7 days after the exemption was filed).¹

This transaction is related to STB Finance Docket No. 33919, <u>IRW Railway</u> <u>LLC—Acquisition Exemption—West Tenneesee Railroad Line</u>, wherein IRW will acquire ownership of title to the line from the Gibson County Railroad Authority (Authority).

¹ Although applicants initially filed their verified notice of exemption and filing fee on August 21, 2000, the official filing date became August 23, 2000, when applicants filed an amended verified notice of exemption.

Applicants own a controlling interest in South Central Rail Group, Inc., which owns the West Tennessee Railroad Corp., which currently operates the line under a lease and operating agreement with the Authority.² Applicants also hold a controlling interest in the Tennken Railroad Co., which operates in the States of Tennessee and Kentucky. According to applicants, the two railroads do not connect and there are no plans to connect them. The transaction does not involve a Class I carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the notice contains false or misleading information, the exemption is void <u>ab</u> <u>initio</u>. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33918, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of

² The rail operation obligations of Authority will be transferred to IRW and West Tennessee Railroad Corp. will continue to operate the line.

each pleading must be served on John F. McHugh, McHugh & Barnes, P.C.,

20 Exchange Place, New York, NY 10005.

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Decided: September 8, 2000.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary